

**MINUTES OF THE MEETING OF THE
UNIFORM COMMERCIAL CODE COMMITTEE
OF THE STATE BAR OF CALIFORNIA**

October 29, 2004
9:30 a.m. to 12:40 p.m.
Meeting at
LAX Marriott Hotel

The October 29, 2004, meeting of the Uniform Commercial Code Committee (the “Committee”) was called to order at approximately 9:30 a.m. with Vasco Morais and Sandra Shippey presiding.

A. ADMINISTRATIVE MATTERS.

1. **Roll Call.** The roll was called.
2. **Approval of September 13 2004 Meeting Minutes.** The minutes of the September 13, 2004 meeting were approved in the form disseminated prior to the meeting with some minor revision.
3. **Future Meeting Dates/Locations.** The Committee reconfirmed and established Monday, November 15 at 9:30 a.m. as the date of the next videoconference meetings to be held at the offices of Pillsbury Winthrop, LLP. The Committee tentatively scheduled Tuesday, December 7 at 9:30 a.m. and Friday, January 7 at 9:30 a.m. as the dates of the following videoconference meetings to be held at the offices of Pillsbury Winthrop.
4. **Solicitation for New Members.** Sandra Shippey advised that three vacancies existed on the Committee and asked for submissions of potential candidates for the Committee.
5. **Discussion of Website.** The Committee Secretary discussed the new internal website where committee materials will be accessible for all members.

B. SUBCOMMITTEE REPORTS.

1. **Report of the Electronic Filing System Subcommittee.** Vasco Morais discussed the status of the electronic filing system in California and the research regarding the filing systems of other states. The Committee discussed finding paralegals and other Committee members to run trial searches and compare results.
2. **Report of Article 2/2A Subcommittee.** Paul Barkes led the discussion, together with Jan Kosel and other members of the Article 2/2A Subcommittee, regarding issues relating to the recommendations of non-uniformity to the NCCUSL Article 2/2A amendments in the Subcommittee’s Report to be considered by the Committee/ It was decided that the Committee would determine its positions on such issues at the November meeting because NCCUSL’s

responses to the Subcommittee's issues would have been received by such time and would be able to be considered prior to making such determinations.

3. **Report of Opinions Subcommittee.** Harry Sigman advised that the Opinion Committee of the Business Law Section and their subcommittee of UCC experts is in the process of reviewing the report and that they expect to deliver their comments by the December meeting so that the report can move to the Executive Committee. The Committee agreed that it would delete the attribution of the report to individual persons and furthermore agreed that as a general rule individual attribution with respect to any written materials prepared by the Committee had to be approved by the Committee. The Committee acknowledged that this was consistent with prior Committee determinations made in the Sacramento meeting in the prior term of the Committee.

4. **Report of the Hidden Lien Subcommittee.** Bob Anderson updated the Committee on the status of the Hidden Lien Subcommittee and on his contacts with the BLS Insolvency Committee. Bob Anderson also advised the Committee of the 9 key categories that the Subcommittee would be using to review hidden liens: (1) statutory framework for such hidden lien, (2) how such hidden lien arises, (3) perfection of such hidden lien, (4) priority of such hidden lien, (5) the obligations secured by such hidden lien, (6) the collateral securing such hidden lien, (7) the classes of secured parties and their relationship to the debtor, (8) how another secured party can protect against such hidden lien, and (9) other key matters worthy of notation. The Committee discussed the goal of production of a report in the first quarter of 2005, and the Committee agreed that a sampling of write-ups of the analyses would be circulated prior to the November meeting.

5. **Report of the Uniform Certificate of Title Act Subcommittee.** Konrad Schreier advised that he had reviewed the response from the UCOTA drafting committee and had spoken to them about their responses. He reported that UCOTA intended to have a revised draft circulated in 2-4 months.

6. **Report of Foreign Filing Subcommittee.** Arnold Rosenberg provided the status as to the review of foreign filing systems and the Committee discussed the memorandum circulated regarding Section 9-307(c) of the Uniform Commercial Code. Barry Graynor agreed to assist in reviewing the Section 9-307(c) issues.

7. **Report of E-Commerce Subcommittee.** Lisa Olson and Audrey Sung discussed the topics the Subcommittee had identified as potential issues to review in depth, which included, electronic contract formation, Check 21, UCITA, UWITA, choice of law issues, electronic payments, electronic chattel paper, e-notes, and electronic letters of credit and documents of title.

8. **Report of Legislative Subcommittee.** Hugh Lawrence advised the Committee as to the status of the Legislative Subcommittee and advised that Jim Hayes was going to have his law library deliver the legislative search results to the Subcommittee. The Subcommittee intends to meet between Committee meetings to review a streamlined report of legislative issues and to work with the Website Subcommittee.

9. **Report of Control Agreement for Deposit Accounts Subcommittee.** Sandra Shippey advised that although the Subcommittee had not met since the last meeting that it has an upcoming meeting.

10. **Report of Liaison Subcommittee.** Bob Slattery advised that many of the liaisons had been in contact with the organizations to which they had been assigned. The Committee discussed finding a liaison with the group that is working on a version of Article 9 for the Native American tribes.

11. **Report of Website Development and E-Communications Committee.** Jean LeBlanc advised that the website is in the process of changing the home page so that it has direct links to different sections of the California State Bar. Jean LeBlanc advised that the webmaster has agreed to take documents for posting in monthly batches and that the goal was to post notices of future meetings and other matters on the website within the next two weeks.

12. **Report on Publications and Programs.** Konrad Schreier advised the Committee that they had a Subcommittee meeting on the 14th and advised the Committee on the status of publication efforts. Jim Hayes volunteered to work with the Website Subcommittee.

13. **Report of Ex. Comm. Liaison.** Pauline Stevens advised the Committee that it should notify Susan Orloff of meeting schedules. She also advised that topics for the 2005 annual meeting would need to be submitted by January.

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The meeting was adjourned at approximately 12:40 p.m.